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SENATE BILL 2703 By
Cooper

HOUSE BILL 2621
By Hargrove

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 4,
relative to state departments.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 4, is amended by adding the
following as a new section to be appropriately designated:

(a) Each agency or department of state government that is subject to substantial
litigation liability as defined in this section shall submit an annual report to the
department of audit by September 30, 2000, and by each September 30 thereafter.

Such report shall include, at a minimum:

- (1) The style of the case, court with jurisdiction, description of the
allegations, current status, and any substantive agreed orders;
- (2) A good faith estimate of any liability under the lawsuit;
- (3) The name of any department, agency or entity which shares
responsibility for the subject of the litigation, with specifics of the responsibilities
entailed;
- (4) Any relevant timeframes imposed by court order or other authority;

(5) The amount of any state or federal funds or grants which are at issue;
and

(6) The name, address and phone number of the individual within the
department or agency to contact for information.

The September 30, 2000, report shall include any pending litigation subject to the
requirements of this section.

(b) For purposes of this section, "subject to substantial litigation liability" means
that the department or agency is a named defendant in a non-frivolous lawsuit that
involves any of the following:

(1) the lawsuit is a federal civil rights action seeking injunctive relief
against a state law, rule or policy and class certification or damages in excess of
\$500,000;

(2) the lawsuit seeks damages or change in law, rule or policy that may
result in a substantial increase in state expenditures; or

(3) the lawsuit may affect the state's bond rating.

(c) The department of audit shall publish, by January 31, 2001, and each
January 31 thereafter, a cumulative report of the submissions, including its findings and
recommendations concerning compliance with the requirements of this section. The
cumulative report shall be distributed to the governor, to each member of the general
assembly, and to each library designated as a depository of state reports and
documents.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring

it.